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restoring hope for children

EXHIBIT 1
DATE 1-23-07
HB 2

Memo

To: Joint Appropriations Committee on Health and Human Services
Date: January 18, 2007
From: Jeff Tiberi
Re: Response to Request for Information
Cc: Joan Miles, John Chappius, Mary Dalton, Lois Steinbeck

Attached is information requested following the January 15th public testimony on the Health Resources Division, Children's Mental Health budget. Please feel free to contact me or Sami Butler for further information or questions.



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500 S. Lamborn
Helena, MT 59601
Direct: 406-465-1031
Fax: 406-442-7949
jefft@intermountain.org
www.intermountain.org

Jeffrey Tiberi, M.A.
Associate Director



intermountain
restoring hope for children

Sami Butler, RN
Professional Relations

500 S. Lamborn
Helena, MT 59601
Direct: 406-465-1031
Fax: 406-442-7949
jefft@intermountain.org
www.intermountain.org



Rate Inequity Issue: Campus Based Therapeutic Group Home vs. Intensive Therapeutic Group Home

Source: Administrative Rules of Montana

Staffing Differences between Campus Based Therapeutic Group Home and Intensive Therapeutic Group Home

- Campus must maintain direct care staffing ratio during school days, Intensive does not. **This is an additional 28% direct care staffing increase for Campus on school days.**
- Campus must employ one FTE Program Manager at a 1 to 4 ratio; Intensive is at a 1 to 6 ratio. **This is an additional 30% Campus staffing requirement over Intensive.**
- Campus Lead Clinical Staff is a 1 to 8 ratio, Intensive is 1 to 12. **This is an additional 30% staffing requirement over Intensive.**

Additional Campus Staffing Requirements NOT required of Intensive Group Home:

- Campus must employ a .25 FTE bachelor degree level Social Worker for every 8 children in care.
- Campus must employ a .25 FTE Clinical Director (licensed by the MT Board of Psychologists) for every 8 children in care.
- Campus must employ a .25 FTE Director of Operations (Masters Level) for every 8 children in care.
- Campus must employ a .20 FTE licensed Registered Nurse for every 8 children in care.

2006 Rates

Campus Based Group Home Treatment Rate: \$162.06

Intensive Group Home Treatment Rate: \$171.69

CAMPUS RATE PARITY PROPOSAL

Estimated Budget Implications for the \$12/\$12 Proposal

The Campus-based Therapeutic Youth Group Homes proposal is an attempt to preserve a very important level of service for Montana children. Without this service level, a large gap in services would occur between the highest level of service, such as a locked-down facility, and a neighborhood group home where children attend public school.

A disparity has existed in the current rate structure for many years, with Intensive Therapeutic Youth Group Homes (\$171.69) receiving a higher reimbursement rate than Campus-based Therapeutic Youth Group Homes (\$162.06). The specific concern is that the requirements of the Administrative Rules of Montana (ARMs) are stricter, more labor intensive, and thus more costly for the Campus than the Intensive, yet Intensive is paid at a higher rate. This proposal is intended to adjust rates based on the requirements of the ARMs for Campus-based Therapeutic Youth Group Homes.*

| <u>Campus Provider</u> | <u>Year</u> | <u>Number of Beds</u> | <u>Cost</u> |
|-------------------------------------|-------------|------------------------------|------------------|
| Intermountain | FY08 | 8 x \$12/night x 365 days = | \$ 35,040 |
| | FY09 | 12 x \$24/night x 365 days = | <u>\$105,120</u> |
| Sub Total = | | | \$140,160 |
| Yellowstone Boys and Girls Ranch | FY08 | 15 x \$12/night x 365 days = | \$ 65,700 |
| | FY09 | 15 x \$24/night x 365 days = | \$131,400 |
| Sub Total = | | | \$197,100 |
| Total FY08 = | | | \$100,740 |
| Total FY09 = | | | \$236,520 |
| TOTAL for the Biennium = | | | \$337,260 |

At the current match of federal/state dollars, FY08 costs are estimated at \$69,611 federal, and \$31,129 state. FY09 costs are estimated at \$163,435 federal, and \$73,085 state.

The total cost to the State of Montana for two years is
\$104,214.

* Please see the attached blue sheet for a comparison of licensing requirements.